Home Appliance *NewsLine*

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EXCELLENT OCTOBER PULLS MAJOR APPLIANCES CLOSER TO SECOND-BEST ANNUAL RECORD

CHICAGO -- The major home appliance industry shipped nearly 4.2 million units in October and over 41.2 million in the first 10 months of the year, signalling a near-record year, reports the Association of Home Appliance Manufacturers (AHAM).

January-through-October shipments averaged 4 million units per month for only the second time in history, following the pattern of 1987, the industry's record year. Shipments year-to-date were down only 2.5%.

Although October shipments surpassed 4.1 million units, they were down 2.3% compared to the prior October. The primary reason for the shipment loss was a 15.8% decline in microwave ovens.

Over 1.1 million microwave ovens were shipped in October, the highest monthly level this year for the product, but it could not surpass the previous October level of 1.3 million units, the largest monthly shipment of a major appliance ever in history. After outstanding sales growth from 1982 through 1987, demand for microwave ovens is moderating because of an increasingly saturated market.

Most of the other products contributed to the excellent October by rising above their year-ago levels, but three merit special mention.

* Refrigerators (625,000 units) increased 13.3% to a new October record.

(MORE)

* Room air conditioners (129,400 units) increased 54.8% to their highest October level since 1978.
* Freezers (110,200 units) increased 27.1% to their highest October level since 1980.

The industry forecast calls for a 4% decline in total shipments this year from 1987's record of nearly 50 million units. However, with only two months remaining before year-end, it appears likely that 1988 shipments will exceed the forecast of 47.9 million units.

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MAJOR HOME APPLIANCE INDUSTRY SHIPMENTS*, THOUSANDS OF UNITS
October, 1988

	OCTOBER			CALENDAR YEAR TO DATE		
	1988	1987	% Change	1988	1987	% Change
ALL MAJOR APPLIANCES**	**4,177.9**	**4,274.4**	**-2.3%**	**41,232.4**	**42,268.8**	**-2.5%**
COOKING - TOTAL	**1,611.3**	**1,832.8**	**-12.1%**	**12,876.9**	**14,635.1**	**-12.0%**
ELECTRIC RANGES - TOTAL	301.6	307.4	-1.9%	2,652.8	2,806.3	-5.5%
Free Standing	238.8	248.3	-3.8%	2,125.1	2,260.4	-6.0%
Built-in	62.8	59.1	6.3%	527.7	545.9	-3.3%
GAS RANGES - TOTAL	203.3	210.5	-3.4%	1,772.7	1,757.5	0.9%
Free Standing	192.9	198.6	-2.9%	1,667.6	1,657.4	0.6%
Built-in	10.3	12.0	-14.2%	105.1	100.1	5.0%
MICROWAVE OVENS/RANGES***	1,123.2	1,334.4	-15.8%	8,602.9	10,227.5	-15.9%
HOME LAUNDRY - TOTAL	**945.7**	**899.8**	**5.1%**	**9,079.3**	**8,950.8**	**1.4%**
AUTOMATIC WASHERS	533.1	496.8	7.3%	5,242.5	5,075.0	3.3%
DRYERS - TOTAL	412.6	403.0	2.4%	3,836.9	3,875.9	-1.0%
Electric	319.2	310.0	3.0%	2,968.6	3,008.1	-1.3%
Gas	93.3	93.0	0.3%	868.2	867.7	0.1%
KITCHEN CLEAN UP - TOTAL	**744.3**	**811.5**	**-8.3%**	**6,943.1**	**7,337.6**	**-5.4%**
DISPOSERS	387.2	436.9	-11.4%	3,509.0	3,787.7	-7.4%
DISHWASHERS - TOTAL	335.7	355.0	-5.4%	3,234.1	3,364.8	-3.9%
Built-in	315.0	329.6	-4.4%	3,031.8	3,155.6	-3.9%
Portable	20.8	25.3	-17.8%	202.4	209.2	-3.3%
COMPACTORS	21.3	19.5	9.2%	199.9	185.2	7.9%
FOOD PRESERVATION - TOTAL	**735.1**	**638.6**	**15.1%**	**7,378.7**	**7,085.3**	**4.1%**
REFRIGERATORS	625.0	551.8	13.3%	6,223.3	6,003.9	3.7%
FREEZERS - TOTAL	110.2	86.7	27.1%	1,155.4	1,081.3	6.9%
Chest	60.4	46.0	31.3%	621.2	592.4	4.9%
Upright	49.8	40.7	22.4%	534.3	488.9	9.3%
HOME COMFORT - TOTAL	**141.6**	**91.8**	**54.2%**	**4,954.3**	**4,260.0**	**16.3%**
ROOM AIR CONDITIONERS	129.4	83.6	54.8%	4,296.5	3,566.3	20.5%
DEHUMIDIFIERS	12.2	8.2	48.8%	657.8	693.7	-5.2%

* Domestic plus export shipments: includes both U.S. produced and imported products.
** Numbers do not add because of overlapping product categories.
*** Includes microwave ovens and combination microwave ovens/ranges.

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TRENDS AND FORECASTS
INDUSTRY SHIPMENTS OF MAJOR APPLIANCES*, THOUSANDS OF UNITS

PRODUCT	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988**	1989**
Cooking - Total	7,291	7,354	7,456	8,005	7,303	10,051	13,717	15,635	17,518	17,915	15,963	15,147
ELECTRIC RANGES - TOTAL	3,217	3,000	2,530	2,328	2,036	2,754	3,074	3,142	3,318	3,346	3,106	3,030
Free Standing	2,336	2,244	1,975	1,829	1,619	2,190	2,496	2,568	2,721	2,691	2,489	2,435
Built-In	881	756	555	498	417	563	577	574	598	655	617	595
GAS RANGES - TOTAL	1,794	1,799	1,539	1,496	1,368	1,573	1,732	1,814	1,940	2,143	2,100	2,025
Free-Standing#	1,665	1.670	1,437	1,401	1,289	1,477	1,626	1,694	1,826	2,022	1,978	1,907
Built-In#	129	129	102	94	79	96	106	120	114	120	122	118
MICROWAVE OVEN/RANGES	2,501	2,807	3,608	4,422	4,071	5,933	9,132	10,883	12,444	12,610	10,939	10,263
Home Laundry - Total	8,659	8,516	7,727	7,342	6,746	7,910	8,733	9,192	10,009	10,635	10,479	10,220
WASHERS - TOTAL	5,038	4,965	4,550	4,365	4,019	4,616	5,049	5,279	5,765	5,998	5,988	5,823
Automatic	4,838	4,779	4,426	4,277	3,955	4,546	5,049	5,279	5,765	5,998	5,988	5,823
Wringer & Other	200	186	124	88	64	69	NA	NA	NA	NA	NA	NA
DRYERS - TOTAL	3,621	3,551	3,177	2,977	2,727	3,294	3,684	3,914	4,245	4,637	4,491	4,397
Electric	2,865	2,783	2,494	2,337	2,143	2,622	2,931	3,080	3,309	3,600	3,480	3,412
Gas	757	768	682	640	584	672	754	834	936	1,037	1,011	986
Kitchen Clean Up - Total	7,169	7,098	5,935	5,854	5,098	6,822	7,758	7,858	8,381	8,696	8,329	7,986
DISPOSERS	3,312	3,317	2,962	3,179	2,780	3,544	4,085	4,105	4,269	4,438	4,191	4,000
DISHWASHERS - TOTAL	3,557	3,488	2,738	2,484	2,170	3,121	3,491	3,575	3,918	4,032	3,906	3,763
Built-In	2,971	2,984	2,354	2,193	1,956	2,859	3,245	3,327	3,663	3,763	3,642	3,509
Portable	586	504	384	291	214	262	246	248	255	269	264	254
COMPACTORS	300	293	235	191	148	157	182	177	194	226	233	223
Food Preservation - Total	7,411	7,642	6,875	6,549	5,704	6,818	7,275	7,316	7,733	8,232	8,158	7,866
REFRIGERATORS##	5,890	5,701	5,124	4,944	4,364	5,477	5,994	6,081	6,510	6,972	6,900	6,630
FREEZERS - TOTAL	1,521	1,941	1,751	1,605	1,340	1,341	1,281	1,236	1,222	1,260	1,258	1,236
Chest	835	1,039	963	889	726	702	650	634	661	692	678	662
Upright	686	902	789	717	614	639	631	602	561	567	580	574
Home Comfort - Total	4,479	4,434	3,876	4,229	3,201	2,439	3,694	3,610	3,371	4,503	5,005	4,388
ROOM AIR CONDITIONERS	4,037	3,749	3,203	3,693	2,761	2,002	3,103	3,022	2,816	3,798	4,330	3,750
DEHUMIDIFIERS	442	685	673	536	440	437	591	588	555	704	675	638
All Major Appliances	35,009	35,043	31,869	31,978	28,051	34,039	41,176	43,611	47,012	49,981	47,934	45,606

* Domestic plus export shipments: includes both U.S. produced and imported products.
** Forecasts as of August, 1988.
# Drop-in gas range data included in free-standing total for 1978 through 1984; thereafter drop-in gas range data included in built-in total.
Includes units of 6.5 cu. ft. and over.

Total industry shipments may not add due to rounding and overlapping categories

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